United Nations

S/AC.50/2010/9

Security Council

Distr.: General
26 August 2010

Original: English

Security Council Committee established pursuant to resolution 1737 (2006)

Note verbale dated 6 August 2010 from the Permanent Mission of the Republic of Korea to the United Nations addressed to the Chairman of the Committee

The Permanent Mission of the Republic of Korea to the United Nations, with reference to the note of the Chairman of the Committee, has the honour to submit herewith its report, pursuant to paragraph 31 of Security Council resolution 1929 (2010), adopted on 9 June 2010, on steps taken with a view to effectively implementing paragraphs 7 to 19 and 21 to 24 of resolution 1929 (2010) (see annex).

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Annex to the note verbale dated 6 August 2010 from the Permanent Mission of the Republic of Korea to the United Nations addressed to the Chairman of the Committee

Report of the Republic of Korea on the implementation of Security Council resolution 1929 (2010)

1. The Government of the Republic of Korea is committed to faithfully implementing Security Council resolution 1929 (2010) and to rendering full cooperation to the Security Council Committee established pursuant to resolution 1737 (2006).

2. The Government of the Republic of Korea has taken the requisite legislative and executive measures to ensure compliance with the requirements of resolutions 1737 (2006), 1747 (2007) and 1803 (2008) and has submitted reports to the Security Council on their implementation on 12 March 2007, 21 June 2007 and 2 May 2008, respectively.

3. All relevant authorities in the Republic of Korea have been fully informed of the contents of resolution 1929 (2010), and have taken all steps necessary for its effective implementation.

Export control on strategic items and conventional arms

4. As a member of all existing international non-proliferation and export control regimes, including the Nuclear Suppliers Group, Missile Technology Control Regime, the Australian Group, the Zangger Committee, and the Wassenaar Arrangement, the Government of the Republic of Korea has implemented strict export and import control over items and technology related to weapons of mass destruction, missiles, and other conventional weapons in conformity with international standards.

5. Major laws and regulations on export control include the Foreign Trade Act, the Atomic Energy Act and the Defense Acquisition Program Act. Specifically, the Public Notice on Trade of Strategic Items covers all controlled items for the five multilateral export control regimes listed in paragraph 4 and provides for detailed export and import control regulation as well as the specifications of controlled items.

6. Major weapons systems and related parts and technology are designated as key defence materiel/technology, and their transfer is tightly controlled through the Defense Acquisition Program Act. Any activity involving the transfer of such arms requires prior approval by the Government of the Republic of Korea.

7. To date, there has been no case where major defence materiel or technology was approved for transfer to Iran. In the future, even greater scrutiny will be given to the declared use, end-user, and non-transfer of such to third countries so as to prevent potential imports of arms by Iran via third countries. Moreover, following adoption of resolution 1929 (2010), the Government of the Republic of Korea has notified all financial institutions in Korea, including foreign bank branches, to prevent financial support related to the supply, sale or transfer of arms or related materiel to Iran.

8. The list of controlled items under the Nuclear Suppliers Group (INFCIRC/254/Rev.9/Part 1, INFCIRC/254/Rev.7/Part 2) has already been reflected in the Public Notice on Trade of Strategic Items as of December 2007, and the amended list of controlled items under the Missile Technology Control Regime (S/2010/263) will be updated by the end of 2010. Any additional changes made in the list of controlled items will be promptly added to the Public Notice on Trade of Strategic Items for effective implementation of resolution 1929 (2010).

9. To further enhance transparency and efficiency in terms of export control, in 2008 the Ministry of Education, Science and Technology introduced an online system (see www.neps.go.kr) through which it provides permits for the export of nuclear-related material. In addition, the Korea Institute of Nuclear Non-proliferation and Control, founded in 2006, provides technical support in implementing nuclear export control.

Inspection of maritime and air cargo

10. The Government of the Republic of Korea will take all necessary measures pursuant to existing domestic guidelines and regulations on cargo inspection to inspect vessels and aircraft and seize and dispose of prohibited items if there are reasonable grounds to believe that items prohibited under Security Council resolutions are being transferred.

11. The Government of the Republic of Korea will also reinforce its monitoring system by carrying out 24-hour surveillance on those vessels suspected of carrying prohibited items.

12. The Government of the Republic of Korea has instructed all port authorities and regional maritime affairs and port offices to strengthen controls on vessels entering Korea, for example by verifying the nationality of said vessels, facilitating searches and prohibiting the provision of bunkering services if there are reasonable grounds to believe that the vessels are carrying prohibited items.

13. Airports in the Republic of Korea will engage in enhanced scrutiny of air cargo in cases where there are reasonable grounds to believe that aircrafts travelling to and from Iran are carrying prohibited items. In addition, any aircraft travelling to or from Iran that is suspected of carrying prohibited items will be forbidden from entering the territorial airspace of the Republic of Korea pursuant to the procedures for overflight approval.

Assets freeze and financial vigilance

14. In order to implement the financial sanctions element of resolution of 1929 (2010), the Government of the Republic of Korea added the one individual and 40 entities listed in annexes I, II and III to resolution 1929 (2010) to its sanctions lists and took the necessary measures in accordance with the guideline on payment and receipt for implementation of duty to keep international peace and safety pursuant to the Foreign Exchange Transactions Act on 9 July 2010. The individual and entities designated by the Security Council in its resolution 1929 (2010) have also been listed in the database list of persons and entities not suitable for export of strategic items of the Ministry of Knowledge Economy.

15. The Government of the Republic of Korea has taken measures to restrict foreign exchange payment and receipt between the designated individual/entities

and those residents/non-residents subject to its jurisdiction. Relevant authorities and agencies, including the Financial Services Commission, National Tax Service, Korea Customs Service, Bank of Korea, Financial Supervisory Service, General Insurance Association of Korea, Korea Trade Insurance Corporation and all foreign exchange banks, have been informed of the additions to the sanctions list and instructed to take all necessary measures. The information has also been published in the official journal of the Government in order to prevent Korean nationals, companies and financial institutions from engaging in business transactions with the sanctioned individual and entities.

16. The Government of the Republic of Korea has instructed its financial institutions to prohibit the provision of financial services, including insurance and reinsurance, in cases where there are reasonable grounds to believe that such services could contribute to Iran's proliferation-sensitive nuclear activities or the development of nuclear weapon delivery systems. The Government has also instructed these institutions to exercise special vigilance when doing business with banks domiciled in Iran and their branches and subsidiaries so as to avoid such activities contributing to Iran's proliferation-sensitive nuclear activities or the development of nuclear weapon delivery systems.

17. Additionally, the Government of the Republic of Korea has posted a notification on *Yestrade*, an online strategic trade information system operated by the Korea Strategic Trade Institute, urging Korean nationals, companies and financial institutions to exercise additional vigilance when doing business with entities incorporated in Iran or subject to Iran's jurisdiction, including the Iranian Revolutionary Guard Corps and the Islamic Republic of Iran Shipping Lines, if there is reason to believe that such activities could contribute to Iran's proliferation-sensitive nuclear activities or the development of nuclear weapon delivery systems.

18. The Government of the Republic of Korea already has the necessary legal framework, in the form of the Banking Act and the Regulation on Overseas Investment of Financial Institutions to take the necessary measures to prohibit the opening of new branches, subsidiaries or representative offices of Iranian banks in its territory, and prohibit it financial institutions from opening representative offices or subsidiaries in Iran if there are reasonable grounds that such financial services could contribute to Iran's proliferation-sensitive nuclear activities or the development of nuclear weapon delivery systems.

19. The Government of the Republic of Korea will also take the necessary measures, pursuant to the Foreign Exchange Transactions Act to prohibit Iranian banks from establishing new joint ventures, taking an ownership interest in or establishing or maintaining correspondent relationships with banks in its jurisdiction, as well as prohibit its financial institutions from opening bank accounts in Iran if there are reasonable grounds that such financial services could contribute to Iran's proliferation-sensitive nuclear activities or the development of nuclear weapon delivery systems.

Travel ban

20. The Government of the Republic of Korea has imposed travel bans, pursuant to the Korea Immigration Control Act, on the individual listed in annex I of resolution 1929 (2010) and to those individuals listed in sections C, D and E of the annex to resolution 1737 (2006), annex I of resolution 1747 (2007) and annex I of

resolution 1803 (2008), who are already subject to travel restrictions. The Government of the Republic of Korea will continue to enforce strict control with respect to the entry or transit of the designated individuals.

21. The Government of the Republic of Korea firmly believes that resolution of the Iranian nuclear issue is important not only for maintaining and strengthening the international non-proliferation regime but also for peace in the Middle East. In this context, the Government of the Republic of Korea has complied and continues to fully comply with the obligations set out in resolution 1929 (2010) and will take further measures as needed to ensure full implementation.